COMMUNICATIONS ADVISORY COUNCIL
JANUARY 17, 1997
MEETING MINUTES

MEMBERS; Chairman Ron Moore, David Couch, Bob Ball, David Ballard, Larry Fowler, Doyle Friskney, Galen Kiser, Jim Nelson, and Mark McChesney for Steve Dooley.

GUESTS: Paul Leveque, Jim Cheski, Charles Robb, Sue Hodges Moore, Mike Dyre, Ken Hagan, Harvey Roberts, John Meiman, Mike Dunn, Evan Ford, Ronnie Adkins, Mike Eldridge, Dwight Bently, Bonnie Meers, Karen Sam Miller, JoAnn Kaelin, Ray Perry, Joe Mefford, Tom Sawyer, Doug Hurley, James Osting, Mike Hayden, Barbara Bean, Nofflet Williams, Michael Clark, Bob Thurmond, Tim Cornett and Dave King.

STAFF: Doug Robinson, Executive Director of KIRM and Jessamine Saufley.

Chairman Moore called the Communications Advisory Council meeting to order at 10:15 a.m. in the Telecommunications Research Center at the University of Louisville-Shelby Campus. Chairman Moore welcomed Council members and guests to the meeting. Chairman Moore asked the members to review the minutes of the November 15, 1996 meeting. The CAC members approved the minutes unanimously.

Chairman Moore introduced Bob Thurmond, the Executive Director of the Telecommunications Center to present an overview of the center's activities.
Chairman Moore thanked Bob Thurmond for his hospitality.

Chairman Moore introduced Tim Cornett, Account Manager with FORE Systems to present an overview of Asynchronous Transfer Mode (ATM). Tim began with a general discussion of ATM and a brief background of FORE Systems. Tim introduced members of FORE System's staff involved in the ATM demonstrations. Tim passed out graphics which explained the demonstrations of an ATM network, Wan segment, ATM video segment, LAN/VLAN segment and Network Management. Tim explained some benefits of ATM which includes performance of existing application, integration of voice, video and data networks, support for new applications and accommodation of future growth. Tim and Chairman Moore directed CAC members and guests to the individual demonstrations of ATM by FORE Systems.

Upon completion of the ATM demonstrations by FORE Systems, a buffet luncheon was served for the members and guests. Chairman Moore asked Doug Robinson, Executive Director of KIRM to present an update on the EMPOWER Kentucky initiative. Doug directed the members and guests to the provided EMPOWER Kentucky handouts. Doug explained the business process selection for reengineering. Doug reported thirty-one initial processes were selected in July, twenty processes change imperative in August, fifteen processes were reviewed in November and seven consolidated processes have been selected for recommended EMPOWER Kentucky and implementation in December 1996. Doug added the four key groupings are human services, administrative services, revenue systems and regulatory systems based on synergy. Some other Cabinet-specific initiatives going forward are the Transportation team,

Facilities Security and Libraries. Doug handed out a chart prepared by Deloitte and Touche Consulting Group which identifies three key technology initiatives necessary to support EMPOWER Kentucky and position the Commonwealth for the future. These three initiatives are Commonwealth Technology Framework, Organization and Support Changes and EMPOWER Project Integration.

Chairman Moore called for updates from the CAC work groups:

Bob Ball indicated that the Wireless Communications Workgroup (800 Megahertz) plans to resume activities. Dave Ballard has agreed to serve as co-chair with Bob.
Bob asked for volunteers for this workgroup.

Mike Clark updated the members on the recent Kentucky TeleLinking Network (KTLN) Advisory Board at KET, which included K-12 representatives as well as the hub site representatives from the state universities, is currently working on developing a scheduling policy as well as documenting room rental rate structures. Mike added that Karen Sam Miller is working part time with KET to complete some additional reporting requirements of Star Schools. Jim Cheski noted that following the Advisory Board meeting, a group met to discuss applying for a NTIA/PTFP grant to obtain satellite uplinks and expand the satellite communications infrastructure within the Commonwealth. The University of Louisville, Morehead State, Eastern Kentucky University, University of Kentucky and Western Kentucky Universities have expressed interest in participating with KET for a consortium grant proposal.

Bob Ball updated the members on the status of the satellite conversion effort. All but approximately 200 satellite dish receivers have been converted and 150 new sites are projected. The sites remaining to be converted are either those with which problems were encountered on the first attempt or where known problems as remounting or zoning or access problems were anticipated. A software download is anticipated in the next couple of weeks to upgrade the receiving sites to a newer version of software.

Bob responded to questions regarding the recent loss of the TELSTAR 401 satellite and its impact to KET and other satellite users. The loss has made satellite time a precious commodity. KET will likely be making some of its unscheduled and its unassigned time on its "third" channel available to others on a short term basis (this semester only).

Chairman Moore updated the members on the issue of ATM. Chairman Moore indicated that a subcommittee had met with BellSouth representatives as a follow-up to the Telemedicine meeting held prior to the November 15th CAC meeting at KET in Lexington. The group was attempting to provide BellSouth with some estimates as to potential applications which might require or could utilize ATM technology.

Chairman Moore turned the floor over to Mike Hayden of BellSouth to report on preliminary pricing estimates. Mike discussed some of the factors which will impact the pricing of ATM services for the Commonwealth. Market price is a factor. Based on trade information, Mike noted this pricing: AT&T DS-3 pricing of $23,000, MCI of $18,000 and Sprint of $19,000. Based on the Kentucky Information Highway (KIH)

competitive bid pricing, these prices for DS-3 point to point were obtained: AT&T $23,000; MCI pricing $20,300; BellSouth $16,640; however, Doyle Friskney indicated the West Virginia price is $4,400 per month. Based on a twenty-four location ATM network focusing on the high traffic NAP points in the state (i.e., the NAP I locations of the KIH which included the locales of the state universities and community college locations), Mike Hayden presented a worst case pricing estimate of $9,000 per location per month. This is based on a DS-3 level of service. The $9,000 price was met with substantial disappointment and displeasure by the CAC participants. Dave Ballard, in particular, commented to Mike that this price was not viable and that he was very disappointed with BellSouth's response. Dave indicated that the price should not be more than North Carolina and should be substantially less since the proposed 24 site ATM Kentucky network did not have to be as extensive as the North Carolina deployment. Dave also asked Mike to consider additional pricing structures for graduated CIRs or T1 frames. He indicated that Kentucky (especially KDE) needs pricing between 56KBS and T-1 speeds. Additional discussion focused on whether or not the Commonwealth should consider rebidding the KIH rather than going with a renewal when the two year renewal time arrives. Chairman Moore inquired if it was time to do a new RFP. In conclusion, the members urged BellSouth to "sharpen its pencil" before it presents its ATM pricing formally.

Chairman Moore asked Jim Nelson, Chairman of the KIRM Commission to provide an update in regard to the Information Resource Plans. Jim indicated that the EMPOWER Kentucky project had delayed some of the work on finalizing the format and process for the Information Resource Plans for 1998-2000. Jim indicated that an 'IRP Lite' might be a possible outcome.

The Communications Advisory Council meeting adjourned at 1:10 p.m., EST. The next Communications Advisory Council meeting is scheduled for 10:00 a.m. on Friday, February 21st in Frankfort.